



CAPCOA ENGINEERING MANAGERS COMMITTEE MEETING MINUTES

August 28, 2017: 10:00 am to 5:00 pm
August 29, 2017: 8:30 am to 12:00 pm

Monterey Bay Air Resources District
Monterey-Salinas Transit (MTS) Office
19 Upper Ragsdale Drive, Monterey, CA 93940
Board Room

MONDAY, August 28, 2017 (10:00 am)

Part 1 – Administrative Business

1.1. Volunteer to Take Minutes: Jim Swaney volunteered to take minutes.

1.2. Introductions/Attendance List

In Attendance:

Ben Beattie, Yolo-Solano AQMD
Jorge DeGuzman (Chair), Sacramento Metro AQMD
Chris Gallenstein, ARB
Mary Giraudo, Monterey Bay ARD
Amy  , Monterey Bay ARD
Mike Goldman, Santa Barbara County APCD
Tung Le, ARB
David Lusk, Butte County AQMD
Arnaud Marjollet, San Joaquin Valley APCD
Gerardo Rios, USEPA
Jim Swaney, San Diego APCD
Laki Tisopulos, South Coast AQMD
Gary Willey, San Luis Obispo County APCD
Kerby Zozula, Ventura County APCD

By Phone:

Alan Abbs, CAPCOA
Brian Clerico, ARB
Marc Cooley, Sac Metro AQMD
Jason Davis, NCAPCD
Sam Oktay, MDAPCD
Emmanuel Orozco, Feather River APCD
Lisa Peterson, El Dorado AQMD
Kevin Williams, Sac Metro AQMD
David Yang
Barry Young, Bay Area AQMD

1.3. Additions/Changes to Agenda: No changes.

1.4. Confirmation of upcoming meetings

Date	Host	
Jan 30-31, 2017	San Diego APCD	[HYPERLINK "https://www.google.com/maps/place/32%C2%BC117.1743177,17z/data=!3m1!4b1!4m5!3m4!1s0x0:0x0!8m2!3d32
Apr 24 (Training)	EPA Region 9 – Electronic Reporting Training Class	[HYPERLINK "https://www.google.com/maps/place/75+Hawtho122.4002459,17z/data=!4m13!1m7!3m6!1s0x8085807c56d9a5b1:122.3980572!3m4!1s0x8085807c56d9a5b1:0x308c933b0871409a

Date	Host	
Apr 25-26, 2017	Bay Area AQMD	[HYPERLINK "https://www.google.com/maps/place/375+Beale+122.3937092,17z/data=!4m13!1m7!3m6!1s0x80858070ac3c2691:122.3915205!3m4!1s0x80858070ac3c2691:0x147d58cf1f55eac18"
Jun 19-20, 2017	San Luis Obispo Co. APCD	[HYPERLINK "https://www.google.com/maps/place/3433+Robe120.6469853,17z/data=!3m1!4b1!4m5!3m4!1s0x80ecf1364b610d"
Aug 28-29, 2017	Monterey Bay Air Resources District	19 Upper Ragsdale Drive, Monterey Monterey-Salinas Transit (MTS) Office
Nov 6, 2017 (pm)	Sac-Metro AQMD	Sac-Metro AQMD
Nov 7-8, 2017	Engineering/Enforcement Symposium	Lake Natoma Inn 702 Gold Lake Drive in Folsom, CA 95630

The meeting schedule was reviewed. The committee confirmed meeting prior to the Symposium at the Sacramento-Metro AQMD office.

- 1.5. Approval of prior Meeting Minutes - June 2017 Minutes: approved unanimously.
- 1.6. Review of Action Items: The action item table was reviewed, completed items noted, and other items clarified. Had discussion of EPA's conditional approval option. Their options for approvals are full approval, limited approval/limited disapproval, or conditional approval. For the limited approval/limited disapproval, if the issues are not resolved, EPA would move to disapproval with a SIP clock. For conditional approval, both parties agree there are issues and they can be solved, but if the District doesn't do what they said they would do, it becomes a disapproval. Gerardo mentioned that Vernese Gholson (in Andy Steckel's office) maintains the SIP list on their website. EPA is working on a new system (SIPTrax) to replace the SIP tracking database.
- 1.7. Schedule for next year:
 - February 12 to 13 in San Diego (confirmed at County Administration Center, 1600 Pacific Highway, San Diego, 6th floor conference room).
 - April 23 to 24 at EPA Region 9, San Francisco
 - July 30 to 31 in Ventura
 - October 29 to 31 in Santa Rosa (Flamingo Inn), if go back to separate symposium (not joint with Enforcement). Kerby will see if Oct 22 to 24 is better, if CAPCOA fall conference is not then.

Part 2 – ARB Updates– Tung Le

- 2.1. Oil and Gas Regulation
 - (a) Jim Nyrady (ARB, by phone) noted that the regulation was submitted to OAL on 6/2/17, was approved 7/17/17 and becomes effective 10/1/17. Portions of the regulation requirements begin in 2018 with compliance milestones in 2019. (b) Some Districts had commented on the May final draft MOA and ARB has revised the template. ARB will send this back out. (c) ARB had asked Districts what their costs would be to implement, which resulted in \$2 million in year 1 and \$1 million each year thereafter. Districts can also borrow equipment that CARB will purchase. (d) Arnaud mentioned that San Joaquin will workshop 2 rules to implement this in September, and take to their Board in December.

2.2. Title V/Clean Power Plan Workgroup Updates

The compliance strategy was approved by the ARB Board and submitted to EPA. There are no requirements for the Districts at this time until EPA approves the Plan.

2.3. Amending District Rules for E-Noticing – Review of ARB’s draft E-Noticing Advisory and District’s comments

ARB received some comments on the draft policy, and is considering removing the EJ requirements. The group also discussed non-NSR issues (as the advisory is only for NSR Noticing). EPA allows E-Noticing for Part 70 (Title V), so might be able to move to E-Noticing for other purposes. Comments on the draft policy are due to Tung by September 8.

2.4. Interagency Waste Workgroup Updates

Cal Recycle is planning a draft regulatory language workshop on 10/30. By then, the workgroup will have looked at quantifications methodology (i.e., when is it disposal), to ensure any alterations in landfilling (composting, AD) provide a net benefit (on a technology basis, not a facility-by-facility basis). The group will transition to Dave Mallory in Tung’s group, and the group should meet more often. Offsets are still a big topic, with no solutions yet (area source consideration, statewide look (like did for resource recovery in the 1980’s)).

LUNCH

- 1.7. The group selected Arnaud Marjollet to be the chair next year, and Jim Swaney to be the vice-chair. Congratulations and condolences to both.

Part 3 – EPA Updates

3.1. Ongoing updates

(a) 8 hour O3 rulemaking - 9 Districts need to submit something, see email from Jorge 8/30/17.

(b) Revision to the petition provisions of Title V – EPA is still reviewing the comments received. Will likely take action soon.

(c) SILs guidance for Districts – expect to finalize fall 2017. Also discussed PM2.5 precursor – reviewing comments received. Bay Area trying to make their determination (SO2 not a precursor). Under the PM2.5 implementation rule, there are 2 separate determinations: one for planning purposes and one for NSR. A District could say something is a precursor under planning, but not regulate under NSR (there is a different demonstration for NSR).

(d) Removal of Title V emergency affirmative defense provisions – this is on hold as HQ is reviewing this. There is no position on Title V permits that include this language.

3.2. Landfill NSPS

Gerardo sent a document with various regulatory updates, including to the NSPS (attachment). A stay of this regulation was signed 5/22/17 and published 5/31/17, as EPA announced they were reconsidering some of the requirements. The stay is effective for 90 days, and ends 8/29/17.

3.3. 40 CFR Part 70 e-noticing

Santa Barbara is working to amend their rules to allow for e-noticing in Title V (no SB288 issues here, as that only applies to NSR noticing). Khoi Nguyen of Gerardo's staff is working on this. EPA would like the group to standardize what should be in rules for Title V noticing. A subgroup of Santa Barbara, San Joaquin, Sac Metro, South Coast, San Diego, Bay Area, Ventura and Butte volunteered for this. Mike will send the list to Gerardo, so Khoi can coordinate. All Districts should send links to Mike of our Title V rules, highlighting the section(s) that deal with noticing.

Gerardo mentioned EPA has finalized the Ventura Title V Program Evaluation, and it is being routed for signatures. He thanked Kerby for being a good host. Gerardo mentioned that Ventura deals with Title V fees in an interesting way – they showed the additional cost of Title V and have additional fees to recover those costs (they have additional items in their fee rule for the additional Title V tasks). EPA has now finished all California Districts that will be evaluated, and will start on a 2nd round of evaluations (probably in the same order). This second round should not be as time consuming.

Mike asked if Gerardo could prepare a lessons learned summary, and Gerardo indicated he plans to have it by the November meeting. The group then discussed Statements of Basis, as Laki had some questions. Gerardo said that Bay Area and San Joaquin are good, San Diego and Ventura are also good.

3.4. District's NSR Rules

Gerardo discussed approvals EPA has completed: Finished Imperial (Conditional approval, add NH₃ as a precursor), Butte (PSD), Mendocino (PSD), North Coast FIP (PSD), Northern Sonoma (PSD), Ventura (PSD). Next fiscal year will look at Santa Barbara (NSR), Antelope Valley (?), Bay Area (Banking), Butte and Northern Sonoma (revisions), Model Rules in El Dorado, Northern Sierra, Tehema and San Luis Obispo, San Diego (NSR), South Coast and Yolo Solano (PM_{2.5}). No action yet on Title V submittals – appears can do limited approval/limited disapproval under Part 70 (previously was full approval or was sent back). Will do limited approval/limited disapproval for Yolo Solano and Clark County, Nevada.

3.5. Other topics/Updates

See Gerardo's emailed document.

Part 4 – PERP

4.1. Portable ATCM and PERP Changes

ARB stated that they are not sure if this is still on for the November Board meeting. Ben stated that per a TARMAC call, November was still on. Jorge noted an applicant stated that a Tier 4f engine was not available for his operation. The ATCM in effect says you can use a T4i engine if a T4f is not available, and ARB will accept a T4i for that class, and the permit was issued. Kerby indicated that for agricultural sources, if a T4i and T4f engine have the same PM standard, the T4i engine is ok.

4.2. Permitting of Self-Propelled Equipment

No updates from San Joaquin, as they haven't met with industry yet. They plan to "grandfather" existing equipment, but new equipment will go through NSR. Dave Warner provided their draft policy for self-propelled equipment at the June meeting.

BREAK

Part 5 – District /ARB/EPA Topics of Discussion

5.1. Air Curtain Incinerators (ACI)

- a. Emission Factor Study
No update.
- b. Delegation Option
No requests for additional time have been submitted to EPA. Gerardo went over that either EPA implements the regulation, or a District can ask for delegation. If delegated, the District would implement and can decide what is an emergency situation, how many weeks before a Title V application is required, etc. This is not one of the regulations that qualify for automatic delegation.
- c. Sample Local Evaluations & Permits
No update.
- d. Sample Title V Permits
Gerardo emailed links to Arizona's general permits to Jorge.

The group decided to downgrade this topic from an Agenda item to a tracking item.

5.2. Landfill Regulation and [HYPERLINK "https://www.gpo.gov/fdsys/pkg/FR-2016-08-29/pdf/2016-17700.pdf"] – Rule vs Equivalency

- a. Landfill NSPS – 90 Day Stay?
As discussed under 3.2, the stay ends 8/30/17. There is no indication yet what EPA will do.
- b. ARB Rule Equivalency
ARB Board adopted an [HYPERLINK "https://www.arb.ca.gov/cc/landfills/docs/stateplan/stateplanfinal.pdf"] between the [HYPERLINK "https://www.arb.ca.gov/regact/2009/landfills09/landfillfinalfro.pdf"] and EPA's regulation, and that has been forwarded to EPA for their review/approval.
- c. Now What?
For now, Districts should continue as normal with implementing [HYPERLINK "https://www.ecfr.gov/cgi-bin/text-idx?node=sp40.7.60.c_0c"].

5.3. Discussion of bills

- a. SB-49
The bill is still in draft, but is not going away. It was last heard 8/23, and will be heard next 9/1.
- b. AB-617
Tung provided an update: This is a companion bill to AB-398 to extend cap and trade, to ensure complying with cap and trade will not cause localized impacts, especially in EJ areas. ARB has created a new office: Office of Community Air Protection (OCAP), and Karen Magliano will lead it. Near term due dates are 10/1/18 for the community air monitoring program plan, and 10/1/18 for the statewide strategy to

reduce emissions (and every 5 years thereafter). Cal EnviroScreen will be used to prioritize EJ areas, looking at the air pollution impacts. 1/1/19 is the due date for the BARCT plan for sources subject to cap and trade. ARB will develop a BACT/RACT/BARCT clearinghouse. The sources subject to the annual emissions inventory will report to ARB, and fines for non-compliance have been increased. No funding is provided in AB-617, as Districts can charge stationary sources, even though most of the impacts are from mobile sources.

Mike suggested we form a subcommittee on BACT/RACT/BARCT technologies. Tung suggested we look to South Coast, as their rules to transition out of RECLAIM (as required by AB-617) will look at BARCT. BARCT applies to industrial sources subject to cap and trade, so may go beyond the combustion equipment to all permitted activity at the source.

5.4. Implementation of Oil and Gas Regulation

The regulation takes effect 10/1/17, and final MOUs will be available about the same time, and then we will know how much \$ a District will get to implement.

Sac Metro determined that if they permit each well separately (with all VOC emissions) and each combustion device separately, the application fee would be ~\$189,000 per facility, if they permit by site it would be ~\$138,000, and if by parcel, ~\$164,000.

San Joaquin is looking into an online registration for the non-permitted equipment (well cellars, small compressors, seals, etc) with no application fee, but with an annual fee, either per equip or per stationary source. They will be discussing this the week of September 4. Permitted equipment will go through the regular process to amend their permits. 2 draft rules have been prepared.

Bay Area plan to group wells on single permit, using DOGGR numbers, to keep fees reasonable. Looking at \$474 filing fee per group, with a PTO fee of \$432 per group (well-source).

South Coast will permit controls, condensers, tanks. Oil wells will be registered, not permitted, with up to 4 wells per registration, \$130 per registration.

Ventura will permit by stationary source, that will list all wells, combustion equipment, tanks, loading racks. Non-permitted equipment listed in Table A6 will be registered by ARB, other equipment will be registered by Ventura. Ventura will report to ARB.

Yolo Solano has gas wells, leaning towards registration (like do for ag), will write a rule.

Sac Metro is looking at the equipment as it should have already been under PTO, so will permit, and will do NSR.

Butte will handle the underground storage, but will let ARB register their 2 active wells (they have a lot of inactive wells).

TUESDAY, August 29, 2017 (8:30 am)

Part 6 - Committee Updates and Board Assignments

6.1. GDF Sub-Committee

No report.

6.2. TARMAC Report/OEHHA Update - Dave Whitney (SLOAPCD) via phone

- Meeting last week: NATA V2 in full, release spring/summer 2018
- CARB industry wide guidance on gas stations late spring/early summer 2018 release. Yolo Solano, Bay Area, Mohave Desert, South Coast and Sac Metro have been involved.
- Marine strategic session?? workshop week of 8/28.
- Chrome ATCM is being amended, considering ambient monitoring
- For PERP, Tier phase out approach, to ARB Board 11/16.
- 2588 survey was distributed with the gas station survey
- David Stearns is looking for speakers from small and medium size districts for 2588 changes.
- David Lusk mentioned that ARB web pages are outdated, and he will share links to those pages.

6.3. Board Liaison Report

No report.

6.4. Enforcement Managers Update – Jeff Pinnow (Yolo Solano) via phone

- ARB is still working on a penalty policy, and will have a webinar 9/7. Administrative law process for smaller issues.
- PERP: ATCM still on for November ARB Board meeting. Advisory 347 (7/17) – only permit for water well engines. Have a new report for all registrations entered by Districts, and expanding report functionality. Would be easier with sunset dates rather than fleet averages, some people may switch from permit to registration so can be part of fleet average.
- ARB training – having issues with staffing, retirements.
- Now have assigned liaisons for each District
- Had presentation from Vapor Recovery Subcommittee
- AB 398, AB 617 and AB 1132 all passed.
- Oil and Gas Reg effective Oct 2017, MOU with Districts, will be funded
- Discussed having an Enforcement Coordinator across the Districts. Decided the Enforcement Managers would simply talk directly with each other.
- For cannabis issues, Districts will deal with on their own.
- Officers for next year: Juan O. (Bay Area) will be Chair, and Ryan H (San Joaquin) will be Vice-Chair

Part 7 – Training / Symposium

7.1. 2017 Joint Engineering Enforcement Symposium Discussion

Symposium will be at the Lake Natoma Inn, \$95 per night. There is a free shuttle from the airport. Registration is free (due to the grant we received from Cal EPA). Annie Boyd sent out an email 8/21 with the details. There will be a social hour on the first day, with a suggested donation.

7.2. CAPCOA/ARB Training

CARB is now coordinating this training, has been having difficulty in scheduling. ARB has a new training portal, to be released in September.

Discussed potential classes in AB2588 (for smaller District's without staff who have done it before) and BACT (for smaller sources than what EPA's training covers, but still over 25 lb/day, to provide more information, details of costs, etc.).

7.3. New Engineering Staff Training Syllabus

Kerby emailed the documents presented at the June meeting on 8/22.

BREAK

Part 8 – District Update / Issues:

8.1 ACR Wetlands Rx Protocol

ACR recently revised this protocol. CAPCOA has approved the prior protocol into the [[HYPERLINK "http://www.capcoa.org/ghg-rx/"](http://www.capcoa.org/ghg-rx/)] and needs the Engineering Managers to review this [[HYPERLINK "http://americancarbonregistry.org/carbon-accounting/standards-methodologies/restoration-of-california-deltaic-and-coastal-wetlands"](http://americancarbonregistry.org/carbon-accounting/standards-methodologies/restoration-of-california-deltaic-and-coastal-wetlands)]. Alex from Northern Sonoma AQMD has reviewed and approved it. Jorge moved to approve, David seconded. Approved by unanimous vote.

8.2. District Permit Database Updates

- Sac-Metro discussed their database procurement vetting process.
- SLO provided the committee a demonstration of their permit database.
- South Coast has initiated Phase 1 of their development of an online permit application process focusing on gas stations, dry cleaners and auto body shops. Their goal is to issue permits online for projects that do not trigger offsets and/or school notice requirements.

8.3. Power Plant Permitting Updates –

- San Diego discussed their black start procedures for extended grid power outages where water supplies (for turbine water injection) are depleted. SDG&E raised concerns regarding their compliance status in these situations.
- South Coast discussed their Huntington Beach and Los Alamitos AES baseload facilities that were upgraded due to the once-through cooling regulations. Combined, both facilities generate 1,900 MW. NOx levels are permitted at 2 ppmv with an ammonia slip of 5 ppmv. The project also includes a 100 MW battery storage component.
- Antelope Valley reported that their Palmdale project is returning.

8.4. New BACT Determinations and Unique Permitting Activities

- South Coast discussed a medical waste pyrolysis project operating under a research permit. A source test was performed and HRA run with results of 1.7 in a million at the fence line. The medical waste is trucked in.
- South Coast inquired about how others handled mobile source refuelers. The company they are dealing with does not want to install Phase II controls due to the cost.
- Yolo-Solano inquired about BACT for a wood pallet manufacturer using a 20 MMBtu/hr drum drier fired on orchard trimmings.

8.5. Roundtable Discussion – Open Floor for Districts

San Diego described an AB 2588 HRA that resulted in a cancer burden > 1. The impact area (isopleth) covered a large swath of the city near the airport.